

DEPARTMENT OF REVENUE

Omnibus Motion  
[LFB Papers #670 thru #675]

Motion:

Move to adopt the following provisions:

1. *Existing Project Positions (Paper #670)*. Extend the expiration of the 38.0 GPR project positions provided to the Department of Revenue (DOR) under 2017 Act 59 from June 30, 2025, to September 30, 2025 (Alternative A2 in Paper #670).
2. *Minor Transfers Between Appropriations (Paper #670)*. Transfer \$195,900 GPR and 2.0 communications positions annually from DOR's collection of taxes -- general program operations appropriation to its administrative services and space rental -- general program operations appropriation to create the Office of Communications in the Secretary's Office.
3. *Advanced Technology System Project (Paper #672)*. Provide \$1,350,000 GPR and \$1,350,000 PR in 2023-24 and \$600,000 GPR and \$600,000 PR in 2024-25 for supplies and services to implement an advanced technology system in DOR's Compliance Bureau. Estimated enhanced delinquent general fund tax collections of \$7,600,000 in 2024-25, \$10,500,000 in 2025-26, and \$14,000,000 in 2026-27. Estimate increased fees collected of \$480,000 PR-REV in 2024-25. Estimate a reduction in the year-end transfer to the general fund of \$1,350,000 GPR-REV in 2023-24 and \$120,000 GPR-REV in 2024-25 (Alternative 1 in Paper #672).
4. *Repeal Obsolete Baseball and Football District Appropriations (Paper #674)*. Delete \$427,500 PR and 4.40 positions annually to eliminate the funding and vacant positions associated with DOR's baseball district tax appropriation, and repeal the appropriation on April 30, 2024. Delete \$52,500 PR annually to eliminate funding associated with DOR's football district tax appropriation, and repeal the appropriation on the effective date of the bill (Alternative 1 in Paper #674).
5. *General Program Operations Appropriations Reductions*. Reduce funding for certain DOR general program operations appropriations by the following amounts annually: (a) \$392,400 in the state and local finance -- general program operations appropriation; and (b) \$984,400 in the administrative services and space rental - general program operations appropriation.
6. *Lottery Fund Condition Reestimate*. Reestimate the lottery fund condition to reflect projected higher lottery sales and expenditures under current law and the lottery funding changes below. This would adopt the AB 43/SB 70 estimated increase to base level lottery expenditures of \$7,061,800 SEG annually for retailer compensation and \$2,546,000 SEG annually for vendor fees.

Increase estimated funding available for the shared revenue and tax relief (SRTR) sum sufficient lottery credit appropriation by \$60,909,800 SEG (SRTR) in 2023-24 and \$34,674,000 SEG (SRTR) in 2024-25. Total lottery credit funding would be \$338,025,800 in 2023-24 and \$311,790,000 in 2024-25.

7. *Lottery GPR Funding (Paper #675)*. Provide \$12,366,800 GPR annually to DOR's sum certain GPR appropriation for lottery retailer compensation and \$3,483,000 GPR annually to DOR's sum certain GPR appropriation for lottery vendor fees. Make a corresponding decrease to DOR's sum sufficient SEG appropriation for lottery retailer compensation and to DOR's sum sufficient SEG appropriation for lottery vendor fees.

8. *Lottery Draw Staff (Paper #675)*. Provide \$42,600 SEG in 2023-24 and \$56,700 SEG in 2024-25 and 1.0 position to the Lottery Division's SEG general operations appropriation. (Alternative B1 in Paper #675).

9. *Lottery Investigators (Paper #675)*. Provide \$71,400 SEG in 2023-24 and \$93,500 SEG in 2024-25 and 1.0 positions to the Lottery Division's SEG general operations appropriation for an additional lottery investigator to support fraud investigations and provide security training for lottery retailers

10. *Lottery Contractor Position*. Provide \$11,200 SEG in 2023-24 and \$14,900 SEG in 2024-25 and 0.2 positions to the Lottery Division's SEG general operations appropriation to supplement an existing 0.8 positions for a retailer services specialist.

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Note:

This motion addresses items described in LFB Papers #670 through #675. A listing of the fiscal effect of each item in this motion is provided in the table.

**FISCAL EFFECT OF MOTION #74 (Change to Base)**

<u>Provision</u>	<u>2023-24</u>	<u>2024-25</u>	<u>Biennium</u>	<u>Positions</u>	<u>Source</u>
Advanced Technology System Project	\$1,350,000	\$600,000	\$1,950,000		GPR
	1,350,000	600,000	1,950,000		PR
	Minimal	7,600,000	7,600,000		GPR-Tax
	-1,350,000	-120,000	-1,470,000		GPR-REV
	Minimal	480,000	480,000		PR-REV
Repeal Baseball District Appropriation	-427,500	-427,500	-855,000	-4.40	PR
Repeal Football District Appropriation	-52,500	-52,500	-105,000		PR
Reduce Gen. Ops. Appropriations	-1,376,800	-1,376,800	-2,753,600		GPR
Lottery Retailer Compensation	12,366,800	12,366,800	24,733,600		GPR
	-5,305,000	-5,305,000	-10,610,000		SEG
Lottery Vendor Fees	3,483,000	3,483,000	6,966,000		GPR
	-937,000	-937,000	-1,874,000		SEG
Lottery Credit Reestimate	60,909,800	34,674,000	95,583,800		SEG (SRTR)
Lottery Draw Staff	42,600	56,700	99,300	1.00	SEG
Lottery Investigators	71,400	93,500	164,900	1.00	SEG
Lottery Contractor Position	<u>11,200</u>	<u>14,900</u>	<u>26,100</u>	<u>0.20</u>	SEG
 Subtotal	 \$15,823,000	 \$15,073,000	 \$30,896,000		GPR
	870,000	120,000	990,000	-4.40	PR
	-6,116,800	-6,076,900	-12,193,700	2.20	SEG
	60,909,800	34,674,000	95,583,800		SEG (SRTR)
	Minimal	7,600,000	7,600,000		GPR-Tax
	-1,350,000	-120,000	-1,470,000		GPR-REV
	Minimal	480,000	480,000		PR-REV
 Net Effect to General Fund	 -\$17,173,000	 -\$7,593,000	 -\$24,766,000		